



Department
for Environment
Food & Rural Affairs



Environment
Agency



Lowland Peat Water Discovery Grant

Grant Handbook.

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This guide is for applicants for and grant recipients of, the Lowland Peat Water Discovery grant scheme. It explains the purpose of the scheme, how to apply and the steps you must follow to comply with the funding rules for the grant scheme.

The Environment Agency (EA) is managing the Lowland Peat Water Discovery grant scheme, with support from the Department for Environment, Food & Rural Affairs (Defra), Natural England (NE), and the Association of Drainage of Authorities (ADA). The EA will manage the scheme budget and make payments for grant claims.

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Background

The Lowland Peat Water Discovery (to be referred to as Discovery for the rest of this document) grant scheme will fund the development of implementation plans which will detail how to safely raise water tables within lowland peat soils in England. This Discovery grant scheme will support delivery of the Government's [Environment Improvement Plan 2025](#) commitment to improve and restore our peatlands, by supporting farmers and land managers to make changes to their water management and undertake more sustainable actions on peat.

The Lowland Agricultural Peat Task Force report identified a need to transform water management within lowland peat landscapes to enable raising the water table of, and reducing greenhouse gas emissions from, lowland agricultural peat soils. It recommends investment in infrastructure to store, release and retain more water in lowland peat soils.

Since the 1600s, our lowland peatlands have been systematically drained to create drier soils suitable for conventional agricultural use and food production. In England, only 13% of our peatlands remain in a near-natural state and, in the lowlands, this figure falls to less than 1%. When peatlands degrade in this way, soil is lost, the land subsides, and the carbon once stored in the soil is lost to the atmosphere, primarily as carbon dioxide. The best option to return peat to a healthy condition is by rewetting - safely and sustainably raising and managing water tables within the peat soil.

The Discovery grant scheme will support stakeholders to take a collaborative and strategic approach to water management within lowland peatland catchments. It will enable investigation to identify the infrastructure and water needed and the environmental opportunities and risks from the suggested change in water management.

The Discovery Grant scheme is not a replacement for the Nature for Climate restoration grant scheme. It is specifically focused on enabling the development of implementation plans to identify how to manage water tables in lowland peat. It builds on the Lowland Agricultural Peat Water Discovery Plan and Lowland Agricultural Peat Small Infrastructure Project pilots which were part of Government's response to the independent Lowland Agricultural Peat Task Force recommendations.

Scheme aims

The purpose of the Discovery grant scheme is to provide initial investment that will ultimately:

- create effective local collaborations with lowland peat stakeholders
- have a primary focus on the reduction in greenhouse gas emissions from lowland peat
- enable wider benefits e.g. biodiversity, flood and drought mitigation and sustainable land use
- rewet lowland peat, by enabling the safe raising of water tables in lowland peat soils
- safely and sustainably maintain higher water tables in lowland peat soils
- contribute to the delivery of a mosaic of more sustainable land uses at a landscape scale, including through farming conventional crops at higher water tables, paludiculture and/or peatland/wetland habitat restoration

The objective of each Discovery grant will be to create an implementation plan, detailing how water tables in peat soils can be raised and managed. The plans will identify the operating systems and infrastructure required to deliver water table raising in their project areas.

Implementation Plan

Summary

The Discovery grant scheme will support the investigation, monitoring and feasibility required to create an implementation plan for safely raising water tables in lowland peat soils. Each plan must promote a change in water management that enables more sustainable land management activities at higher water tables within lowland peat soils and include plans for the long-term delivery of those outcomes.

To raise water tables, a collaborative or partnership-based approach will be required, with all interested parties working together. You must identify the stakeholders, including land managers you need to collaborate with to successfully develop a plan. You will be required to demonstrate the support your project has in your application (See [Supporting information](#)).

You will need to work with stakeholders to agree water management outcomes for your project area. This can be at a catchment or hydrological unit scale. There must be an intention to progress to raising water tables within your project area.

Scope

Your implementation plan should include:

- initial screening of project site(s)
- baseline data collection and analysis
- consideration of barriers and constraints and their mitigation
- assessment of permits and permissions required

- planned water table rise, area of peat to benefit, amount of water required and source of water to deliver this rise
- future funding options
- future land use
- future infrastructure (if required)
- outline or detailed design outputs
- monitoring plan
- Risks Assumptions Issues Dependencies (RAID) log for risk management

You can include detailed design within the Discovery Grant if appropriate for your project's stage of development.

Eligible Activities

Your project must only undertake work that is directly required to develop your implementation plan. This can include:

- surveys and monitoring, including collecting baseline information (peat, hydrology, constraints, impact on neighbours)
- understanding the additional water requirements (current water inputs and outputs and the volume of water needed to achieve the water table raise, including evapotranspiration) and where this water will be sourced,
- assessing the change needed to current water management, water table and land use compared to proposed approach
- assessment and planning for environmental and business risks and opportunities
- options for long term funding and maintenance including private finance potential
- gaining consensus from local stakeholders on future water management
- flood risk assessment and modelling where essential as part of the project to enable agreement of water table raising for example to demonstrate no increase in flood risk.
- understand and start application process for permits/consents (these could include but not limited to Environment Agency, local authorities, planning, Natural England, internal drainage boards, Historic England, Environmental Impact Assessment), including for any environmental mitigation required
- engagement activities
- scope and cost the outline or detailed design implementation plan
- development of a monitoring plan to enable assessment of interventions and water table change after future implementation.
- enabling development of collaborations and new and existing peat partnerships where essential to enable agreement of water management outcomes for your project area.

Further information on eligible and ineligible costs can be seen in [Grant Management](#).

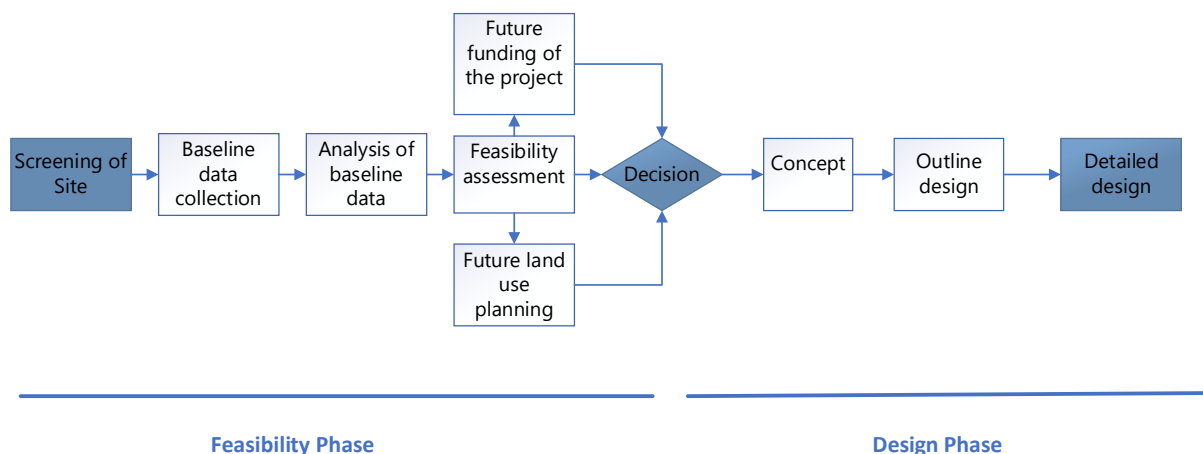
Options Appraisal

The primary driver of the grant scheme is to reduce carbon emissions through the raising of water tables in lowland peat soils. However, your options should consider whether additional benefits for biodiversity, water quality, water resource and flood risk can be delivered alongside the reduction in carbon emissions. For example, these wider benefits could also include reducing or preventing degradation of peat soils or providing an alternative way of farming on fields with diminishing returns. Multiple benefits will be considered when assessing future Implementation grant applications.

When developing your options you are encouraged to consider using Nature Based Solutions, low carbon and green options such as soft engineering, recycled materials or solar panels. You should identify the appropriate approach for delivering your implementation plan, utilising soft and hard engineering as required. Include details on your decision-making process, and why your proposed approach is the most suitable.

At the end of your Discovery project, your implementation plan should be at outline or detailed design stage. We recognise that sites originally included in your project may be screened out if investigations conclude they are not feasible. An explanation will be needed for sites not included in your final implementation plan.

Figure 1: Flowchart of activities to develop an implementation plan from feasibility through to detailed design for raising water tables



Who can apply?

The following organisations are eligible to apply for a Discovery grant:

- charities or not for profit organisations

- public bodies (including local authorities and internal drainage boards)
- land managers
- businesses or commercial enterprises

A Discovery grant can only be issued to a single legal entity. We welcome applications from a single organisation who is coordinating work with other interested parties. You must prove that you are eligible when you apply.

The Environment Agency, Defra, Natural England and Forestry Commission are not eligible to apply but are eligible to be collaborators within a project.

When to apply?

The application window for a Discovery grant opens on 8 April 2026. Completed applications must be received by 23:59 on 26 June 2026.

Grants will be awarded in September 2026 and must complete by March 2028. There are no plans for another Discovery application window.

How much can you apply for?

You can apply for a Discovery grant of between £50,000 and £300,000. Grants can cover up to 100% of eligible project costs

In exceptional circumstances, where the need or benefit can be clearly justified, a lower or higher grant will be considered. For example, we may consider an exemption to this rule where combining several projects provides better value for money or other efficiency benefits but takes the total proposed grant value over the maximum threshold.

Where can my project work?

Discovery grants are available for projects in England, working within areas of lowland peat that have been drained and have water tables which are lower than optimum for reduction of carbon emissions.

How do I apply for a Discovery grant?

To apply, complete the Discovery application form and submit via email with supporting information to peatwatergrants@environment-agency.gov.uk by 23.59 on 26 June 2026.

It is important that you provide all the information asked for in the application form, including any mandated supporting documents and a site map in an accessible format. Incomplete applications will be rejected.

Your application form, including the mandated supporting documents, will be the single source of information used to score and rank your application. No other information nor documents submitted after the application deadline will be considered.

Your application must be signed by an individual with the appropriate authority to act on behalf of your organisation.

Requests for Clarification

Any request for clarification regarding the application process should be submitted at the earliest opportunity to peatwatergrants@environment-agency.gov.uk.

We will respond to all clarifications as quickly as possible. In the principle of fairness, any clarifications and responses will be made available to all applicants on the [EA Lowland Peat Water Discovery and Implementation Grants - Home](#) SharePoint site on 9 June 2026 and will be available for the remainder of the application window.

How we will assess your application

The Discovery grant scheme is competitive. The highest scoring, eligible applications will be offered a grant. Your project is eligible provided:

- it is focused on developing an implementation plan for an area of lowland peat soils within England
- there is not a legal requirement to carry out the proposed activity
- the proposed activity is not receiving, or will be receiving, funding from other sources which would be considered duplicate funding.
- you are an eligible organisation (see [Who can apply](#))

Your application will be scored based on the following criteria:

- technical (accounts for 70% of your application score)
- commercial (accounts for 30% of your application score)

We are aiming for a strong programme of projects, supporting eligible applicants to undertake work across the country. Following prioritisation, a moderation panel will review all bids to ensure the distribution of projects across geographies and organisational types best meets the scheme objectives.

Technical criteria

What is the ambition and technical focus of your project? Who will you work with to deliver your implementation plan?

This is Sections B, C and D on the application form. You will need to describe your project, potential future water tables and changes to water management, project consortium and the information you will need to create your implementation plan. This should include:

- a high-level summary of your implementation plan and potential future ambitions for water tables and water management (B2)
- the current land use and water management of your project area (B3)
- the technical focus of your project identifying the information you need to inform your implementation plan and any gaps in that data which could include for example surveys and monitoring (B4)
- any relevant constraints and barriers in your project area and how you will address them (B5)
- the location and scale of the project, focussing on the potential area(s) of peat you will study during the project (C1-C4)
- number of landowners, access permissions and interest from others in participating in your project (D1, D2)
- details of your project consortium, who are the key contacts, what skills or knowledge they will provide and their role in developing the implementation plan (D3)

How will you manage your project to ensure it delivers its objectives?

This is section E of the application form. You will need to demonstrate how you will manage and deliver your project. This should include

- your approach to managing the project, including risk management, delivery timeframes, budget, collaboration and project governance (E2)
- the key milestones and outputs you will deliver (E3)
- the key risks and how you will manage them (E4)

Commercial criteria

This is Section F of the application form. You will need to justify how your project provides good value for money. Do not include a separate budget line for contingency, this should be built into your project budget through delivery costs. This must include:

- the total amount of grant funding you are requesting and how the grant funding will be spent (F1 and F2).
- the value of any match funding that the project will receive and its source (F4)
- details of how you have costed your project. This should include like for like quotes, comparison costs or other justification to demonstrate proposed project costs are reasonable and reflect good market value (F5) Please

provide supporting information to evidence your costs (see [Supporting information](#)).

- an explanation of how the outcomes of your project represent good value for the total grant funding you are requesting (F6). This should include how public money is being used efficiently, use of match funding, consideration of private finance options.

We will assess your project costings and answers to Questions F5 and F6 to determine how your project represents good value for money.

Supporting information

You must send supporting documentation with your application. If you do not include the mandatory items your application may be ineligible or will not score as highly.

You must send copies, scans or photographs, not originals. Label documents clearly before sending them with your application.

Supporting information we need is detailed as below. In some instances, we may request additional information where our own checks require further details.

Supporting information	Evidence required
Evidence of organisation type	We may request additional information to confirm the legal status of your organisation
Financial and management accounts	Where we are unable to run our internal finance checks we may request information e.g. last 3 years of accounts or a statement of income and expenses from your accountant (if you're self employed or a new business).
VAT Status	<p>If you intend to claim VAT as part of your project costs, then you will need to submit a letter from an independent accountant.</p> <p>You are only eligible to claim VAT if irrecoverable VAT is in the proposal costs. The letter should state if your organisation is VAT registered and VAT costs on the grant costs are irrecoverable. Without this evidence, you will not be able to claim VAT as part of your grant</p>
Proof of costs	<p>Such as:</p> <ul style="list-style-type: none"> • organisation procurement policy that shows the process is open, transparent, competitive and awards the most economical bid • your breakdown of costs including internal salary cost calculations (based on employee gross salary, employer national insurance and pension contributions) and day rates for staff and contractors • list of any assets that you intend to purchase to deliver the project

	<ul style="list-style-type: none"> • comparisons of proposed costs with similar works to show project costs represent market value • 3 comparable quotes – you must use the cheapest quote unless you can justify why a higher quote gives better value for money • the reason for using a single award where you did not use a tender process • other related evidence to show the costs are reasonable
Project map(s)	<p>You must provide the project map(s) in an accessible format. Export maps at a scale with enough detail to accurately interpret where you plan to work. You should include</p> <ul style="list-style-type: none"> • an overview map showing all your total project area, with references (if applicable) to the individual site maps • if applicable, maps of individual sites at no more than 1:25000 scale <p>You should provide your maps as either a PDF or JPG file.</p>
Written support for the project	<p>Support from wider stakeholders is not mandatory but will strengthen your application</p> <p>Provide written evidence of support from your main project collaborators. e.g. landowners/those who will be involved in the project delivery. Evidence can include letters or emails of support from main members of the project consortium.</p>

Application decisions

Once the application window has closed, the EA will assess all applications. We will provide an update on the outcome of your application in September 2026. You may be contacted during our assessment if any clarifications about your application are required.

If your application is unsuccessful, the EA will notify you in writing. You will have the opportunity to seek further feedback.

If your application is successful, the EA will notify you in writing. We will confirm with you the project budget and milestone schedule before sending you a grant offer letter. The grant offer will include:

- the start and end date of your agreement
- the amount of your grant
- your payment schedule and milestones
- the terms and conditions of your grant

After you receive your Lowland Peat Water Discovery Grant Agreement, someone from your organisation authorised to enter into a grant agreement must sign and return the offer letter within 10 days to peatwatergrants@environment-agency.gov.uk. You must not start the project until you have signed and completed all documents in the grant offer letter and fulfilled any special conditions. We will reject claims for any costs incurred outside the agreed timescales of your grant agreement.

Lowland Peat Water Implementation Grant

To progress towards delivery of higher water tables in peat soils, a Lowland Peat Water Implementation grant scheme will be launched later in 2026. The Implementation grant scheme will fund the installation of infrastructure and water management controls needed to enable a positive change in water management, with a primary focus on the reduction in greenhouse gas emissions from lowland peat whilst enabling wider benefits e.g. biodiversity, flood and drought mitigation and sustainable land use. It will support projects to take a collaborative and strategic approach to water management within lowland peatland catchments.

To apply for an implementation grant you will need an implementation plan or equivalent level of understanding, which may include:

- what would achievable water table and/or watercourse levels look like?
- the constraints to achieving your water table and management change within and outside of your site at different scales (field, local area, water management area)
- the infrastructure that is needed to achieve your water table change and will be installed through the Implementation grant
- the mitigation that will be required, for example impacts on neighbours, environmental factors and the area to be re-wet.
- you have considered unintended consequences.

Further details on eligibility and the application process for the Implementation grant scheme will be shared in June 2026. You may wish to prepare for an Implementation grant application or funding via another route, in the development of your discovery project.

Grant Management

As part of your grant project, you will need to undertake certain activities to ensure that you comply with the terms and conditions of your grant agreement. This will include submitting claims for eligible project spend, undertaking project progress meetings and if applicable, applying for variations if your project scope changes.

Project Management

As the Grant Recipient, you are solely responsible for the project. You must manage your project in accordance with the terms and conditions set out in your Grant Funding Agreement. The making of the grant does not imply that it is a partnership project or joint venture with the EA. The Grant Funding Agreement does not operate as any type of statutory licence, waiver, consent or approval from the EA. You must still secure all required permission and consents before undertaking work.

Your Grant Funding Agreement details your project milestones. You are expected to develop a programme of work, showing how your project and milestone will be delivered. Your work programme should identify clear links between your milestones and scheduled expenditure and include a project risk register.

Reporting and collaboration

In addition to financial evidence, you must provide a regular update on your project progress.

The EA will arrange a start up virtual meeting within 6 weeks from your project commencing. This is to establish that you have started your project, to provide support on what is expected from your project and for you to highlight any initial issues. At this meeting you should share your work programme and risk register.

In Year 1 of your project there will be an update meeting held between January-February 2027 with a requirement to complete a brief interim report on your project. In Year 2 of your project there will be two update meetings, held in July 2027 and December 2027. An agenda and reporting template will be provided in advance of these meetings.

You may also be required to submit technical and budget reports to accompany your claims.

We will monitor progress of projects and if further support is required this can be facilitated.

We may also request to visit your project in person. You are expected to facilitate and participate in any site visits. We will conduct a maximum of 2 site visit to your project location.

At the end of the project, you will be asked to share a copy of your implementation plan for peatland water management. You will also be required to provide an

externally facing executive summary and case study report, we will provide templates for these documents. Final drafts of these documents will need to be submitted by 15th February 2028.

Field data collected as part of your implementation plan, e.g. (water level, water table, peat survey) must be made freely available for others to use.

Claiming for Grant Funds

Grant funding is claimed in arrears. You must only claim for eligible costs that you have incurred and paid. All costs must be directly associated with and necessary to deliver the objectives of your grant funded project. If you claim for costs we consider to be ineligible, not required to deliver your project or do not provide good value for money, your grant payment will be reduced or refused.

We expect projects to claim twice a year. In Year 1 this will be in January for the period September to December, and then projects will claim in March for all remaining project costs up until 31 March 2027.

In Year 2 we expect projects to claim in October for the period 1 April until 30 September 2027 and then projects will claim in March for all remaining project costs up until 31 March 2028.

Please note, if a Grant Recipient has cashflow issues and would require more frequent claims then we can discuss exceptions during project onboarding.

As per HM Treasury rules you can only claim up to the total grant value for the financial year. Unspent grant that is not claimed within the financial year will not be carried over into the following financial year. If you underspend within a financial year, your total grant award will be reduced accordingly.

Eligible Expenditure

The following table details eligible project costs and the supporting evidence required to justify the expenditure. This list is not exhaustive. If you are unsure whether a cost is eligible within your agreement, contact peatwatergrants@environment-agency.gov.uk, before committing to the expenditure.

Eligible expenditure	Required supporting evidence
<p>Grant recipient staff costs for time worked directly on the project, for example on project delivery, management or administration.</p> <p>Eligible costs include, monitoring (data collection & analysis), hydrological modelling, mapping, specialist advice, engagement activities, essential equipment, securing required permissions/consents, production of implementation plan.</p>	<p>Grant will cover the employee gross salary costs and, employer NI and pension contributions only. Bonuses are an ineligible expenditure. For staff that work full or part of their time on the grant funded project you must provide:</p> <ul style="list-style-type: none"> • Single payslip for each member of staff to evidence the salary rates, National Insurance and pension contribution • A verification letter or staff contract for each staff member showing the proportion of time assigned to the grant funded project. <p>You must keep timesheets showing total time worked and time worked on the grant funded project but do not need to submit them</p> <p>If you cannot accurately determine the proportion of time staff work on the grant funded project, we require their hourly rate (based only on the employee salary and employer National Insurance and pension contributions) and timesheets in addition to the staff costs evidence outlined above.</p>
<p>External contractors, consultancy or suppliers providing project delivery, management or administration support.</p> <p>Eligible costs include, monitoring (data collection & analysis), hydrological modelling, mapping, specialist advice, engagement activities, essential equipment, securing required permissions/consents, production of implementation plan.</p>	<p>All work from external contractors, consultancies or supplies must be evidenced with a paid invoice. It must:</p> <ul style="list-style-type: none"> • Be addressed to you • Be dated • Be for work directly linked to the project • Contain a description of each item and its cost
<p>Named project partner organisation staff costs for time worked directly on the project for example, on project delivery, management or administration support.</p> <p>Eligible costs include, monitoring (data collection & analysis), hydrological modelling, mapping, specialist advice, engagement activities, essential equipment, securing required permissions/consents, production of implementation plan.</p>	<p>Costs claimed by a named project partner organisation member of staff must be supported by the same evidence required for grant recipient staff costs. The grant recipient must have paid the project partner before the claim is submitted.</p>
<p>Grant recipient organisational overheads</p>	<p>As the grant recipient, you can claim for a proportion of your organisational overheads. This is capped at 30% of your staff costs included within each claim. For example, in a claim including £1000 of your staff costs, up to £300 can be claimed in organisational overheads.</p>

	You must provide a cost recovery model that demonstrates the % rate you can claim at. For more information see Organisational overheads .
<p>Essential project overheads</p> <p>Eligible costs include printing, postage, software, Personal Protective Equipment (PPE), essential training, domestic travel and subsistence</p>	<p>Evidence is not required for individual expenses under £300 but must be retained. For costs over £300 you must provide:</p> <ul style="list-style-type: none"> • A breakdown of all cost showing how they are directly linked or essential to delivery of the project • Expense forms • Receipts or invoices • Mileage record
<p>Land manager participation (where there is a direct financial cost to participate)</p>	<p>Reimbursements to participants are capped at £200 per day per participant, including travel costs. You cannot claim VAT. Pro-rata reimbursements may be eligible when time spent is less than a full day.</p> <p>Evidence to demonstrate these costs must:</p> <ul style="list-style-type: none"> • state the number of days each participant has been involved • a register of attendance • description of the meeting/event's purpose and outputs achieved • invoice from participants or a bank statement showing transactions should also be provided as evidence

Ineligible Expenditure

The following table details costs are ineligible. This is not an exhaustive list. If you are unsure whether a cost is eligible within your agreement, contact peatwatergrants@environment-agency.gov.uk, before committing to the expenditure.

Ineligible expenditure	Further guidance
Costs already covered through other funding	
Work undertaken and costs outside your grant funding period	Any work or costs before the start date or after the end date of your grant agreement is ineligible.
Meeting your own legal obligations	
Gifts, entertaining and alcohol	This includes office parties, Christmas parties and other similar events.
Your tax liabilities, including recoverable VAT	Irrecoverable VAT is an eligible cost. You must provide evidence you are unable to reclaim VAT from HMRC.
Fines, charges, or dividends	
Research	Research will only be funded if essential for the delivery of the implementation plan.
Lobbying costs, to influence parliament, government, or political activity, or legislative or regulatory action	

Payments for activities of a political or religious nature	
Payments to staff relating to previous employment within the organisation, such as redundancy, pensions or TUPE liabilities.	Redundancy payments for new staff employed to work on the grant funded project are ineligible.
Insurance, except employer National Insurance relating to eligible staff costs	Routine insurance, such as office building, vehicle or public liability insurance can be included within your organisational overheads
Organisation branded clothing or uniforms	Essential PPE directly linked to project activities is an eligible cost
Volunteer time	Volunteer expenses, which you ordinarily cover, will be considered on case-by-case basis.
Land purchase	
International travel	

Organisational overheads

As the Grant Recipient, you can claim for your organisational overheads. These are capped at 30% of your staff costs included within each grant claim.

You must provide a Cost Recovery model to demonstrate the rate of your organisation overheads. The Cost Recovery model must include all routine organisational running costs such as:

- office rent and utilities
- insurance
- office furniture and equipment
- IT equipment (hardware and software)
- HR, legal and finance support
- telecommunication costs

Your Cost Recovery model should be calculated at the organisation level, by dividing the total annual running costs by the total annual staff salary costs to create a percentage.

For example, an organisation with annual running costs of £50,000.00 and annual salary costs of £200,000.00, would have a Cost Recovery rate of 25%. In this example, the organisational overheads that can be charged to the project are capped at 25%.

If your Cost Recovery rate is above the cap, you must still only claim for 30% of the staff cost. We will reject costs where you claim for items individually that we consider to be a routine running costs and should be included within your Cost Recovery model.

Travel and subsistence

Travel costs for grant recipient staff is only eligible for essential journeys which are necessary to deliver your project. Routine journeys to your organisation offices or regular places of work are not eligible costs.

For rail travel, you must always use standard class, unless you can demonstrate that an alternative class provides better value for money. International travel is not an eligible cost. For other forms of travel, the following rates apply:

Mileage allowance	First 10,000 business miles in the tax year	Each business mile over 10,000 in the tax year
Cars and vans	45p	25p
Motorcycles	24p	24p
Bicycle	20p	20p

Overnight accommodation is only eligible for essential trips directly which are necessary to deliver your project. You must demonstrate that an overnight stay was unavoidable or provided better value for money than not staying. Subsistence rates for accommodation are capped as follows:

Location	Rate per night
London (Bed and Breakfast)	£160
Other (Bed and Breakfast)	£100

If your travel and subsistence costs exceed the rates provided above, your grant payments will be refused or reduced to the stated rate.

VAT

VAT can be reclaimed on project costs depending on the Agreement Holder's VAT status. You are eligible to reclaim VAT where you are:

- VAT registered but not recoverable from HMRC (VAT costs included in project costs)
- Not VAT registered (VAT costs included in project costs)

If you intend to include VAT costs within your grant budget you must provide a confirmation from an accountant or finance lead that the VAT you incur is irrecoverable from HMRC.

Procurement

You must ensure your project provides good value for money. To support this, you must undertake fair and open procurement to demonstrate project costs reflect good market value. The table below describes a minimum expected approach to procurement based on the value of works being procured.

Value of service provided*	Procurement process
£0 to £9,999	Minimum of one written quotation
£10,000 to £99,999	Minimum of three written quotations
£100,000 and above	Minimum of five written quotations or formal tender process

*Value exclusive of VAT

You must retain evidence of all procurement activities undertaken, including copies of tenders and quotes received. You will be required to demonstrate you have followed an appropriate procurement process for your project costs.

There may be occasions when you are not be able to follow the recommended procurement approach. For example, your tender receives an insufficient number of responses, or you are operating in specialist markets which have a limited number of service providers. In these instances, you must provide an explanation of the situation, detail the steps taken to source a sufficient number of quotes and provide supporting evidence to demonstrate that the chosen service provider's costs are reasonable.

Assets

Essential equipment required to produce your implementation plan is an eligible item. All items with a value over £2,000 will be considered an asset. You must include assets within your application form or seek prior approval before purchasing.

Assets must be recorded on an Assets Register. A template register will be provided, which you must keep up to date with all assets purchased. You must not dispose of an asset without written approval from the EA.

The residual value of your asset will be calculated at the end of the project. If the residual value is over £2,000 you may be required to return a proportion of the grant you were paid. You may be able to retain the asset, at the discretion of the Environment Agency, depending on your proposed continued use of the asset. See *Assets* clause within your Grant Funding Agreement for more information.

Project changes

An amendment will be required where projects need to alter:

- total grant value (increasing or decreasing grant amount)
- outputs, project scope, site area
- project end dates

In these circumstance projects need to apply in advance of these changes and stipulate the impact to their project and the creation of their implementation plan.

Publicity and Branding

We encourage raising public awareness of your project. You must acknowledge the UK Government has provided funding towards your project. This is a clause of your Grant Agreement (*Publicity*). The '*Funded by UK Government*' logo must be included on public facing project documentation, including communications, project reports and promotional materials. Further information and the logos are available [here](#).

You are also asked to acknowledge the Environment Agency in your project documentation. If promoting your project online, including on social media sites, please include reference to the Environment Agency and the scheme name (use hashtags *#EnvAgency* and *#lowlandpeatdiscovery*).

You are required to cooperate in the sharing of your implementation plan and data collected. This may include providing information to be shared online.

Glossary

Term used	Definition
Green engineering	The design, commercialisation, and use of processes and products that are economically feasible while reducing pollution, minimizing risks to human health, and maximizing sustainability throughout their life cycle
Lowland Peat	The lowland peat water grant schemes definition for Lowland Peat will be below the moor line, at least 20% organic matter and a depth of 40cm
Hard engineering	Involves building artificial structures to control natural processes
Nature based solutions	Actions that protect, restore, and manage natural ecosystems to address societal challenges—such as climate change, flooding, and biodiversity loss—while benefiting human wellbeing.
Soft engineering	A sustainable, natural approach that works with natural processes rather than using artificial structures.